THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (d) Yes, Sir, in its last meeting held on 20.11.2009, the Foreign Investment Promotion Board (FIPB) has recommended 17 proposals of Foreign Direct Investment amounting to Rs. 4,551.05 crore approximately for approval, 3 proposals for deferment and 4 proposals for rejection. The recommendations of the FIPB were approved by the Government of India. Press Release of the cases considered by FIPB is available in the website of Ministry of Finance at *http://finmin.nic.in/fipbweb/fipbwebreports/webpaqe.asp.*

(e) Foreign Direct Investment (FDI) complements and supplements domestic investment. Domestic companies are benefited by FDI by way of capital, state-of-art technology and best managerial practices so that they have better access to foreign technology and get opportunity of integration into the global market.

Impact of FTAs on domestic rubber producers

2161. SHRI MAHMOOD A. MADANI:
SHRI SANTOSH BAGRODIA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Rubber Board considered the impact of recent Free Trade Agreements (FTAs) on the domestic rubber producers;

(b) if so, when was the issue taken up by the Rubber Board and what were their recommendations; and

(c) whether the recommendations of the Rubber Board accommodated in the FTAs?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (c) Yes, Sir. While negotiating Free Trade Agreements (FTAs), Government takes a number of steps to protect the interest of domestic as well as export oriented industry and farmers. These include keeping the items, to which the domestic industry and farmers are sensitive, in the negative or the sensitive list. On such items, limited or no tariff concessions are granted to the trading partner. Such lists are prepared after consulting all stake holders including Rubber Board. Natural Rubber has been kept in the Negative List of most FTAs.

Exempting SEZs from State and local taxes

2162. SHRI D. RAJA:
SHRI M.P. ACHUTHAN:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Central Government has requested the State Governments to exempt SEZs from State and local taxes;

(b) if so, the details thereof;

(c) whether some State Governments have opposed this proposal;

(d) if so, the names of these States and what are their objections; and

(e) Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (e) Central Government has recognized the pivotal role of State Governments in the Setting up and successful operation of SEZs. The Board of Approval (BOA) for SEZ does not consider any proposal unless recommended by State Governments. Section 50 of the SEZ Act, 2005 read with rule 5(5) of the SEZ Rule, 2006 envisage that the State Government may notify policies for developers and units and take suitable steps for enactment of any law granting exemption from State Taxes, levies and duties to the developer or the entrepreneur, delegating the powers conferred upon any persons or authority under any State Act to the Development Commissioner in relation to the developer or entrepreneur.

Some of States *viz.* Gujarat, Haryana, Madhya Pradesh, West Bengal, Tamil Nadu etc. have since enacted State SEZ Act and Rules.

Sharp decline in country's export

2163. SHRI SANJAY RAUT:
SHRI GOVINDRAO WAMANRAO ADIK:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the country's exports registered a sharp decline in September this year, year-on-year basis;

(b) if so, to what extent; and

(c) the reasons for such sharp fall in exports?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (c) As per the quick estimates of DGCI&S, merchandise exports in September, 2009 was US$ 13.608 billion, registering a decline of 13.8% in comparison to the same period last year. Decline in India's merchandise exports since October, 2008 can be attributed significantly to shrinkage of demand in developed countries due to global economic slowdown, and the reduced international prices of commodities.

Training to small tea growers by Tea Board

2164. SHRI GOVINDRAO WAMANRAO ADIK:
SHRI SANJAY RAUT:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state: